

EASTERN FEDERAL COAL LEASE FORM

INSTRUCTIONS

For each issuance, transfer, or exchange of a federal coal lease east of the 100th Meridian, supply coal reserve information, by state, for all coal located east of the 100th Meridian, but excluding coal east of that Meridian in North Dakota, on the attached two sheets. For each issuance, transfer, or exchange of a federal coal lease in Texas, Nebraska, Iowa, Kansas, Missouri, Oklahoma, Arkansas, Illinois, Indiana and Western Kentucky, the reporting company will also be required to complete the form entitled "Western Federal Coal Lease Form."

1. On each sheet, fill in the name of the reporting company and the date of submission. On the first two sheets, indicate the units of measure (e.g., million tons).
2. On the sheet labeled TOTAL IN-PLACE COAL RESERVES, supply total in-place coal reserves according to the criteria below. If the only available figures are for recoverable reserves, they should be converted to in-place figures as well as possible. Make estimates if necessary.
3. On the sheet labeled UNCOMMITTED IN-PLACE COAL RESERVES, supply total in-place coal reserves as in paragraph 2 but exclude those dedicated to, or otherwise necessary to fulfill, current contractual obligations and those set aside for own use.
4. On the form labeled DESCRIPTION OF COAL IN PROPOSED LEASE, report reserves as in paragraph 2 and provide the other information requested.
5. Include any reserves owned or leased by the reporting company or any affiliate. "Affiliate" of the lessee means any person, association or corporation which controls, is controlled by, or is under common control with, the lessee. "Control" includes having or acquiring effective power or influence to determine the policies, business practices, or decision-making process of another person, association, or corporation, whether exercised directly or through ownership of stock or assets, representation on the board of directors, or election of one or more officers. Control shall be presumed to exist whenever any person, association or corporation owns ten (10) percent or more of the outstanding voting securities of another person, association

or corporation. In the case of joint ventures, prorate reserves according to the shares of the joint venture. "Joint venture" means a corporation, partnership, or association through which the lessee (or one or more affiliates of the lessee) and one or more non-affiliate corporations, partnerships, or associations own or lease coal reserves.

6. Use ASTM definitions for coal ranks, low, medium, and high volatility (ANSI/ASTM D 388-77), and for free swelling index or FSI (ANSI/ASTM D 720-67). Report reserves in each coal rank separately. Do not report anthracite.

7. Except in Alabama, report reserves according to the Geological Survey's definition of measured and indicated reserves (i.e., based on observations within 3/4 mile). In Alabama, report reserves that are measured, indicated, or inferred (i.e., within three (3) miles of an observation). To the extent it is not possible to follow these criteria precisely, follow them to the extent possible.

8. Assign reserves of bituminous coal with free swelling index greater than 4 to sulfur categories based on the most likely sulfur content as shipped (i.e., after any preparation which would be undertaken) under current economic conditions and present technology.

9. For bituminous coal, report coal in seams of 28 inches or more and depths of 1000 feet or less, except for bituminous coal in Alabama. For such Alabama coal, report in accordance with the criteria in paragraph 10. For lignite, report coal in seams of 60 inches or more and in depths of 120 feet or less. To the extent that it is not possible to follow these criteria precisely, follow them to the extent possible. Estimates are acceptable.

10. In Alabama, report bituminous coal as follows:

- 1) coal in depths of 120 feet in seams of 14 inches or more,
- 2) coal in depths of 120-1000 feet in seams of 28 inches or more and,
- 3) coal in depths of 1000-2000 feet in seams of 42 inches or more.

11. Report reserves in each state on a separate line except for Kentucky; report Eastern Kentucky and Western Kentucky on separate liens.

12. Supply column totals for each form.

13. On a separate sheet of paper, list all corporations, associations or persons for which reserves are reported. In the case of joint ventures, give the share of reserves that is reported. Also indicate whether the reporting company, any affiliate (as defined in instruction 5) or any company (or affiliate of such company) with which the reporting company or an affiliate participates in a joint venture is a railroad, an electric utility or a nuclear fuel fabricator or nuclear fuel converter or an affiliate of any such company. If so, identify the railroad, electric utility or nuclear fuel fabricator or nuclear fuel converter and explain how it is related to the reporting company.

Public reporting burden for this collection of information is estimated to average two hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Chief of the Transportation, Energy and Agriculture Section, Antitrust Division, United States Department of Justice, 325 7th Street, N.W., Suite 500, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC.

Total In-Place Coal Reserves

OMB Number 1105-0025

Expires 10/31/05

Reporting Company:

Date:

Units:

STATE	BITUMINOUS COAL WITH FSI GREATER THAN 4				OTHER BITUMINOUS	LIGNITE COAL	TOTAL COAL			
	Low and Medium Volatile		High Volatile							
	No More than 1% Sulfur	More than 1% Sulfur	No More than 1% Sulfur	More than 1% Sulfur						

Uncommitted In-Place Coal Reserves

Reporting Company:

Date:

Units:

STATE	BITUMINOUS COAL WITH FSI GREATER THAN 4				OTHER BITUMINOUS	LIGNITE COAL	TOTAL COAL
	Low and Medium Volatile		High Volatile				
	No More than 1% Sulfur	More than 1% Sulfur	No More than 1% Sulfur	More than 1% Sulfur			

Description of Coal in Proposed Lease

Reporting Company:

Date:

Tract name (if any)	
Tract location (state and county)	
Total estimated in-place coal reserves	
Rank of Coal	
Sulfur content of raw coal	
Anticipated sulfur content of coal as shipped	
Dry, mineral-matter-free volatile matter (for bituminous coal only)	
Free Swelling Index (for bituminous coal only)	